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Implementation of integrated, coherent and coordinated support to South Sudan by the United Nations system

Report of the Secretary-General

Summary

The present report is the second to be submitted to the Economic and Social Council on the achievements of and challenges faced by the United Nations system in providing integrated, coherent and coordinated support to the Government of South Sudan following independence in July 2011. The report outlines how the architecture for assistance to South Sudan is evolving in a context that requires development partners to continuously adapt to emerging political, humanitarian and socioeconomic challenges and priorities. In particular, it presents how the United Nations system adapts to the national development priorities of the country and to the New Deal for Engagement in Fragile States, South Sudan being a pilot country for that initiative. The status of implementation of United Nations plans and coordination mechanisms is also presented.

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I. Introduction

1. After becoming an independent nation on 9 July 2011, South Sudan was admitted into the General Assembly as the 193rd State Member of the United Nations on 14 July 2011. Following this, in its resolution 2011/43, the Economic and Social Council requested the Secretary-General to report on how the United Nations development system is implementing integrated, coherent support to South Sudan, consistent with national priorities, while ensuring clarity of roles and responsibilities in the implementation of United Nations operational activities.

2. In July 2012, the first report of the Secretary-General (E/2012/76) was submitted to the Economic and Social Council for its consideration at its substantive session. In its decision 2012/250, the Council requested another report to be submitted at its substantive session of 2013.

3. The present report outlines how the architecture for international development assistance to South Sudan is evolving in a context that requires international partners to continuously adapt to emerging challenges and priorities. This requires flexible frameworks that allow partners to respond to fragility and humanitarian needs while working towards State take-off. The report describes the progress and setbacks related to the implementation of development and peacebuilding frameworks by the United Nations system in accordance with the Council's request to the Secretary-General and all relevant organs and bodies of the United Nations system to address the humanitarian, peacebuilding and development challenges facing the country.

II. Context

4. The second year of independence of South Sudan was marked by continued austerity measures, protracted negotiations over outstanding issues with regard to the Comprehensive Peace Agreement with the Sudan and continued humanitarian needs. While the signing of the Cooperation Agreement between South Sudan and the Sudan in Addis Ababa in late September 2012 signalled a positive turn in cross-border relations, the agreements were not immediately implemented and oil production did not resume as quickly as expected. An agreement between the two nations on the implementation of the Cooperation Agreement was since signed in March 2013, raising hopes for an oil revenue-sharing arrangement between the two countries and the resumption of oil production. In the meantime, austerity measures have resulted in heavy cuts in public spending and prevented the Government from delivering and further improving on its core functions, including basic service delivery systems. High food prices and increasing inflation have also forced households into further destitution.

5. While recognizing the impressive achievements of South Sudan during the period under the Comprehensive Peace Agreement in establishing State structures from virtually nothing, the State-building challenges facing the country remain enormous. South Sudan remains one of the most underdeveloped countries in the world. Challenged by widespread poverty and absent or dysfunctional service delivery systems, and without the public infrastructure required for growth in place, the country has not yet been able to organize the Government, administration and legal system to tap and distribute wealth in a way that benefits the people as a whole

and addresses human development needs. Infrastructure that enables communities to engage in trade remains one of the greatest challenges, with around two thirds of the country cut off from major routes and towns during the rainy season.

6. South Sudan has some of the lowest human development indicators in the world. While the number of children enrolled in primary school increased sixfold from 300,000 to 1.8 million between 2005 and 2012, dropout rates remained high at 90 per cent. Less than 30 per cent of the population has access to health care, and less than 25 per cent of children are fully immunized by the age of 12 months. The maternal mortality rate is one of the highest in the world, with 2,054 deaths per 100,000 births, and there are less than 100 qualified midwives in the country. More than 70 per cent of the population cannot read or write. For women, the indicators are particularly alarming: 92 per cent of women are illiterate, and of girls aged 6 to 13 years, less than 40 per cent attend school and only slightly more than 2 per cent attend secondary school. Gender-based violence, forced marriage and child marriage are widespread.

7. In 2012, South Sudan continued to take steps towards the consolidation of State-building goals, including the adoption of key legislation, the inauguration of the National Elections Commission and security sector reforms. Central to the State-building agenda will be the four key elements of national constitutional review, national reconciliation, the census and national elections, which together will help to shape the future of the country for years to come. While important steps have been taken to prepare the ground for those activities, austerity measures continue to constrain adequate national resource allocation to those time-sensitive processes.

8. Humanitarian needs continue to pose major challenges for the country and threaten to overshadow the longer-term development agenda. Conflict in the border region with the Sudan has resulted in growing numbers of Sudanese seeking refuge inside South Sudan, and more than 193,000 Sudanese refugees are currently registered in the country. While the projected cereal deficit for 2013 is smaller than it was in 2012, 1.5 million people are still estimated to be in need of food assistance. Intercommunal conflict, border tensions and seasonal flooding have temporarily displaced communities across the country, disrupting people's livelihoods and damaging harvests and assets.

9. In response to austerity, the Government has started to implement fiscal reforms and measures to improve public financial management. In less than 24 months, non-oil revenue collection has increased sevenfold from 10 million South Sudanese pounds ($3.3 million) to more than 70 million South Sudanese pounds ($23 million) per month, covering 14 per cent of Government expenditures. To increase fiscal transparency, quarterly budget execution reports are being published and spending controls have been tightened.

III. Responding to emerging challenges

10. In the context of the post-conflict fragility of South Sudan, recurring shocks, including outbursts of violence, large-scale food insecurity and fluctuating consumer prices, are an all-too-common reality. A key priority for the United Nations is to reduce vulnerabilities and enable the South Sudanese to manage risks through integrated humanitarian, recovery and development support. United Nations efforts are geared towards building household, community and national resilience to

cope with emergencies as a result of insecurity, extreme weather conditions and deficient service delivery systems. Simultaneously, the United Nations continues to support the Government in building a viable State.

11. Throughout 2012, the Government of South Sudan and the United Nations and its partners have worked hard to consolidate and safeguard the progress made during the Comprehensive Peace Agreement period, including the establishment of essential functions and systems, capacity development and the expansion of basic service delivery in the education and health sectors, while simultaneously working to prevent the economic collapse that many feared, following the shutdown in oil production. The United Nations supported the Government in developing the Core Functions under Austerity initiative, which outlines the most important State-building support required to keep the State functioning during this difficult period, including planning and financial management, oversight and accountability, conflict prevention and the rule of law.

Box 1
Food security

Hunger and undernutrition remain persistent and seasonally recurring problems in South Sudan. Over the past three years, more than 10 per cent of the population has been severely food-insecure, and another 30 per cent moderately food-insecure, with peaks during the hunger season, a period of scarcity between harvests, from May until August. Similarly, various forms of undernutrition have been prevalent in South Sudan for many years, including severe acute malnutrition, reflecting short-term nutritional deficiencies. Chronic malnutrition and micronutrient deficiency are both reflections of the long-term effects of poor nutrition as a result of inadequate diets.

South Sudan does not produce enough food. In 2013, the annual cereal deficit is expected to be around 350,000 metric tons, which is less than in 2012 (474,000 metric tons) but more than in 2010 (225,000 metric tons). Even though 2012 was a relatively good harvest year, many people remain on the brink of crisis.

Addressing food insecurity and breaking the cycle of hunger require investment in the right kind of programmes. Under the leadership of the World Food Programme and the Food and Agriculture Organization of the United Nations (FAO), the United Nations has been working with the Government and non-governmental organization partners to design programmes that address short-term needs and, at the same time, build the resilience of households and communities. In the past year, food security partners have strengthened their links, including with nutritional sectors. Approaches to food insecurity have increasingly targeted human capital. For instance, daily feeding programmes in some 1,350 schools aim to prevent children from dropping out of school. Using food assistance, communities are being organized to address the causes of food insecurity, for example by building roads that connect them to markets, health facilities and schools. Farmer field schools have been instrumental in the increased use of ox ploughs in some states, leading to

better agricultural production. In 2012, 2,000 farmers were trained on 76 farmer field schools in six states throughout South Sudan. Discussions have emerged on addressing rural labour shortages by creating cash schemes for urban, unemployed youth to work in rural areas. Institutional capacity to detect food insecurity is being strengthened by establishing food security monitoring systems embedded in the National Bureau of Statistics. The establishment of a strategic food reserve can provide relief after harvest failures.

IV. National development priorities

Extension of the South Sudan Development Plan

12. The South Sudan Development Plan 2011-2013 was established in the lead-up to independence and identifies key development objectives in four priority areas: (a) governance; (b) economic development; (c) social and human development; (d) conflict prevention and security. The plan forms the basis of the Government's budget planning process and serves as the framework for sector aid financing strategies. Austerity measures, however, have meant that the implementation of many aspects of the Plan has been stalled.

13. In February 2013, the Government announced its intention to extend the South Sudan Development Plan. It envisages an extension until July 2013 and has requested the United Nations country team and individual United Nations agencies, funds and programmes to align their existing frameworks with the new timeline of the Plan.

South Sudan aid strategy

14. The Government of South Sudan has developed an aid strategy to guide international engagement with the Government's aid management process. With "One vision, one plan" as the overarching framework defining the country's development priorities, a sector-based approach aims to ascertain a coherent approach to policymaking, planning, implementation, and monitoring and evaluation. The strategy includes regular donor coordination forums in which the United Nations and international partners are represented and provides a calendar for annual budget planning and implementation cycles.

15. The Government uses the Aid Information Management System as its main tool for recording standardized information on aid activities. Its purpose is to provide a comprehensive overview of aid-funded activities in the country and coordinate aid information for use in the national planning and budgeting processes. The Aid Information Management System is an essential component of the Government's aid strategy, the national framework for improving the effectiveness of development assistance in the implementation of the South Sudan Development Plan.

Core Functions under Austerity

16. To ensure continued support for its most critical functions during the period of austerity, the Government conducted a prioritization of the development objectives

articulated in the South Sudan Development Plan in the context of the Core Functions under Austerity initiative. Under the leadership of the Presidential Adviser for Economic Affairs and with support from the United Nations Mission in South Sudan (UNMISS), the United Nations Development Programme (UNDP), the World Bank and international development partners, focus areas were identified and prioritized in line with the four pillars under the South Sudan Development Plan. The prioritization was finalized in November 2012 and submitted to the Ministry of Finance and Economic Planning to guide the planning and budgeting process for the 2013-2014 financial year. The initiative further aims to guide donor assistance throughout the period of austerity to ensure the continued functioning of the Government and prevent a retraction of progress made in the Government's State-building efforts since the signing of the Comprehensive Peace Agreement.

V. "One vision, one plan": the New Deal as the framework for development cooperation with South Sudan

17. Given the challenges that South Sudan has faced during its early years of statehood, the need for effective and coherent support from international partners, including the United Nations system, is crucial. Support must be geared towards longer-term development needs while addressing short-term shocks in parallel. As a member of the Group of Seven Plus fragile States, South Sudan nominated itself as a pilot country for the New Deal for Engagement in Fragile States during the Fourth High-level Forum on Aid Effectiveness, held in Busan, Republic of Korea, in November and December 2011.

18. National implementation of the New Deal started in August 2012 with a fragility assessment that was endorsed in November 2012. The fragility assessment forms the foundation for a shared understanding between the Government and international development partners on country priorities using the five peacebuilding and State-building goals. The peacebuilding and State-building goals represent the prerequisites for achieving the Millennium Development Goals and include: (a) legitimate politics; (b) security; (c) justice; (d) economic foundations; and (e) revenues and services.

Box 2
Fragility assessment

As a New Deal pilot country, South Sudan embarked on its first fragility assessment in August 2012, with support from UNDP. A multi-day assessment workshop brought together 100 participants, including the Vice-President, as well as ministers, advisers and representatives from central and state governments, civil society, academia and international partners. The findings and recommendations, complemented by relevant literature and qualitative data, were reviewed during a second workshop in November 2012, which was attended by more than 50 stakeholders.

The assessment provides an overview of the key findings for each of the peacebuilding and State-building goals along a five-tiered axis ranging from crisis to resilience and an overview of progress, challenges and priority actions to help the country to advance towards resilience. It was a qualitative, rather than quantitative, exercise intended to contribute to an improved understanding of fragility.

The overall assessment result suggested that South Sudan had made sufficient progress on all five goals since the Comprehensive Peace Agreement interim period and independence in July 2011 to move beyond the crisis stage of the fragility spectrum. While none of the goals have reached transition yet, reform efforts seem to have borne the most fruit with regard to legitimate politics, following the 99.8 per cent vote for secession from the Sudan, which was held in January 2011. Moving forward, key challenges include sustainable internal political settlements, the transformation of the security sector, the reform of justice institutions, the creation of diversified economic foundations and strengthened capacity for accountable and equitable service delivery.

19. Following the finalization of the fragility assessment and in line with the New Deal's "One vision, one plan" for the transition out of fragility, the Government started preparations to formulate its development priorities under the South Sudan Development Initiative. The Initiative aims to bring together the priorities of the South Sudan Development Plan and the Core Functions under Austerity initiative. The South Sudan Development Initiative should pave the way towards the establishment of a compact with international partners, which is envisaged as a key mechanism for the implementation of the Initiative.

20. From 17 to 19 December, South Sudan hosted the Steering Group of the International Dialogue on Peacebuilding and Statebuilding. About 40 senior officials from 15 donor capitals and Group of Seven Plus countries, as well as from the headquarters of the Organization for Economic Cooperation and Development, the United Nations and the World Bank, convened in Juba to deliberate the global New Deal agenda. Co-chaired by the Minister for Development Cooperation of Denmark, Christian Bach, and the Minister of Finance of Timor-Leste, Emilia Pires, the discussion provided an opportunity for international partners to discuss the use of country systems for aid delivery in South Sudan. In particular, discussions focused on how to use the New Deal as a framework to increase budget support, although it was pointed out that there were other options for using country systems on a flexible basis that needed to be explored.

21. Meanwhile, the United Nations realigned its programmes with the five peacebuilding and State-building goals. Legitimate politics to foster political settlements and conflict resolution, the first goal, addresses the nascent experience of South Sudan with democratic governance, the need for political inclusion and mechanisms to mitigate conflicts. The overwhelming majority of South Sudanese remain distant from decision-making and legitimate politics, in particular young people. With only limited capacity to manage political diversity, State authorities are often unable to provide opportunities for dissent, discussion and reconciliation.

United Nations efforts focus on supporting Government efforts to broaden political decision-making, widen the political space and build the capacity of national actors to manage conflict.

22. Improving security, the second goal, is a prerequisite for development but requires the improved effectiveness and accountability of law enforcement institutions. Weak State authority in remote areas, combined with the proliferation of small arms, has made it possible for communities to arm unemployed and illiterate young men on whom they rely for security. Through its support for the extension of State authority and the strengthening of community security, the United Nations helps to address the following priorities: supporting the Government's national security policy and strategy; supporting the further professionalization of the security forces, including through support for a new disarmament, demobilization and reintegration programme; helping the Government to establish early warning systems in priority counties; and improving access to insecure areas.

23. In the context of South Sudan, justice, the third peacebuilding and State-building goal, refers to accessible and fair mechanisms to address grievances. The diminishing authority of traditional leaders, combined with the limited reach of the formal justice system, leaves citizens with limited opportunities to seek redress and resolve their grievances through institutional mechanisms, rather than violence. The United Nations supports a two-track approach that focuses on extending the formal justice system and strengthening traditional mechanisms for conflict resolution. The United Nations supports the development of the country's legal frameworks, including improving relevant national legislation, expanding legal aid support, strengthening the criminal justice system and improving adherence to human rights standards, while also working to support traditional authorities in their role as arbiters of intercommunal disputes.

24. Competition over scarce resources and the absence of economically productive activities present key challenges for peacebulding and State-building. Communities frequently cite conflict over grazing lands and access to water points, including between agriculturalists and pastoralists, as major causes of violence. Building economic foundations, the fourth goal, can help to reduce violence and support State take-off. In the short term, income-earning opportunities for marginalized groups, including young people, can be created through labour-intensive public and community works. In the long term, strong economic foundations require economic diversification, an educated workforce and strong regulatory frameworks, in particular for resource management. The United Nations is supporting measures to create economic opportunities and improve access to resources, including the following priorities: counteracting the militarization and marginalization of uneducated, unemployed young people by helping the Government to launch targeted programmes; introducing vocational training and establishing literacy centres in priority counties; improving access to water in rural areas for grazing and in human settlements; and helping the Government to establish land allocation and dispute mechanisms.

25. The management of revenues for the expansion of basic services represents the fifth goal within the New Deal fragility assessment. Strengthening the State's ability to raise, prioritize and manage resources for equitable social service delivery is critical during the early years of statehood. Many areas in South Sudan are chronically underresourced, resulting in tensions between communities and ethnic

groups. Where services reach local levels, they are largely provided through non-State entities and with little State ownership. The lack of tangible progress in the provision of services by the State, including in the education, health, water and sanitation sectors, has fuelled perceptions of exclusion from post-independence gains, contributing to resentment and diminishing confidence in Government. United Nations support addresses measures to improve the equitable distribution of revenue and increase the Government's capacity to deliver basic services. It is focused on the following strategic priorities: helping the Government to conduct a new census to allow the equitable sharing of revenue and fair access to services across the 10 states; helping to build the Government's capacity to allocate resources fairly; supporting the Government in expanding the delivery of essential services; and supporting Government efforts to establish a household cash transfer system, which reinforces the social compact and shows that the Government is committed to the welfare of its people.

Box 3
Cattle Camp Initiative

The livestock sector stands out as perhaps the single most important area through which the livelihoods of the rural poor in South Sudan can be permanently improved. With the largest livestock per capita holding in Africa (an estimated total of 11.7 million cattle), there is immense potential for the sector to sustainably meet domestic demand for livestock products, provide surplus for exports and, above all, generate enough income to permanently improve the livelihoods of the population, more than 80 per cent of which is rural.

The Cattle Camp Initiative strategically focuses on building the risk management and productive capacities of pastoralists to enhance their ability to withstand shocks and adapt to changing conditions. The primary focus of the Initiative is on reducing and managing shocks to pastoralists and building productive, human, natural and financial resources within livestock-dependent households and communities. The Initiative will improve rural livelihoods and progressively diminish the heavy reliance on humanitarian response in Jonglei.

The Initiative will consist of three key pillars necessary to support pastoralist systems in South Sudan: a community security pillar led by UNDP to manage violence; a livelihood pillar led by FAO to strengthen the productive capacity of pastoralist households; and a basic services pillar led by the United Nations Children's Fund to address chronic relative deprivation and expand future life opportunities. FAO will coordinate the activities of the three pillars. The three-pillar design is in line with the United Nations Policy for Post-Conflict Employment Creation, Income Generation and Reintegration approved by the Secretary-General in 2009.

Designed as a focused joint programme with a limited number of agencies, the Initiative uses a programmatic, integrated approach centred on rural livelihoods that clusters activities for maximum impact. Each pillar is led by the United Nations agency with a comparative advantage in the sector. Activities are simple and scalable and adhere to strategic principles of pro-poor, horizontal development that leverage community resources. The community security pillar will emphasize customary law and weapons management, the livelihood pillar will use a pro-poor approach emphasizing peer learning and local innovation, and the basic services pillar will use "light and lean" mobile service delivery with no formal barriers to entry.

Pillar 1: Extension of State authority and re-establishment of community governance mechanisms

Customary law systems and weapons management in pastoralist areas must be strengthened to curb high levels of violence. Cattle raiding remains a low-risk, high-reward criminal activity that adds to the current levels of insecurity in the country. Owing to easy access to weapons, young people in some communities act with increasing independence and often outside the interests of the broader community and traditional systems of restraint. The security pillar will undertake such activities as uniform-for-civilian clothing swaps, mapping of customary law and formation of weapons management committees.

Pillar 2: Strengthening pastoralist productive capacity and the diversification of livelihoods

The pastoralist field school is a simple, proven approach that, together with mobile skills training, forms the core of the livelihood pillar. The organizational capacity of community-based pastoral institutions will be strengthened, and the ability of pastoralists to participate in decision-making processes affecting their livestock and welfare will improve. Short, mobile skills trainings will be delivered in agroprocessing, fisheries, blacksmithing and other rural trades.

Pillar 3: Increasing pastoralist access to basic services through mobile approaches

Mobile pastoralists require mobile service delivery. The expansion of mobile schools and youth-to-youth health education are the core interventions of the basic services pillar. Fixed service delivery models in South Sudan are expensive to build, difficult to maintain and lie unused during seasons when pastoralists move with their herds. Yet the need for basic services is extreme; thus, this pillar aims to address this need through scalable approaches that can reach large numbers of young people.

VI. Status of implementation of United Nations plans

United Nations Development Assistance Framework

26. The South Sudan United Nations Development Assistance Framework 2012-2013 was developed to ensure the United Nations system's coherent support to the newly independent Republic of South Sudan and the achievement of the South Sudan Development Plan. The United Nations Development Assistance Framework was based directly on the South Sudan Development Plan and focused on five outcome areas:

(a) Core governance and civil service functions are established and operational;

(b) Chronic food insecurity is reduced and livelihood opportunities increase;

(c) Key basic service delivery systems are in place, laying the groundwork for increased demand;

(d) Violence is reduced and community security improves;

(e) Access to justice and the rule of law improves.

27. However, the first year of implementation of the United Nations Development Assistance Framework was heavily affected by austerity, which severely strained the necessary expansion of Government capacity, cut budgets in key institutions and created uncertainty regarding the strength of the national economy. The United Nations therefore supported the Government in developing its Core Functions under Austerity initiative, which outlines the most important measures needed to keep the State functioning during this period, and reprioritized the Framework to reflect this new reality.

Box 4
Reprioritized United Nations Development Assistance Framework

Following the oil shutdown, in an effort to ensure that the United Nations system was adequately prepared with a unified set of priorities in case of prolonged austerity, the United Nations country team prioritized the programmes in the United Nations Development Assistance Framework into three tiers. Tier I includes critical United Nations country team programmes that need to be implemented, even in conditions of austerity, tier II includes those programmes that can be rescaled on the basis of resource availability, and tier III includes those programmes that should be put on hold in the current context.

Following guidance provided by the Government, the programmes in tiers I and II aim to address the most important priorities in the advent of prolonged austerity, including:

- Safeguarding front-line service delivery in the areas of health, education, water and sanitation
- Addressing food insecurity to help households to survive the "hunger gap" and remain inside the productive cycle

- Reinforcing core governance functions, including systems for public financial management and accountability
- Preventing an escalation of violence

In deciding to which tier a programme should belong, the United Nations country team reflected on the consequences of non-implementation and took into account whether:

- Government financing is necessary for the programme to succeed
- Partners have the capacity to deliver under austerity conditions
- Funding is either currently available or likely to be available
- Implementation will reach the most destitute households
- The programme promotes self-help and greater community involvement
- The programme helps to preserve previous development gains
- The programme helps to prevent the further deterioration of living conditions
- The programme is cost-efficient

United Nations Peacebuilding Support Plan

28. In accordance with Security Council resolution 1996 (2011), the United Nations country team and UNMISS worked with the Government of South Sudan and bilateral and multilateral partners to develop an integrated strategic plan to support the consolidation of peace in the country. In accordance with the principles of national ownership, the priorities set out in the Peacebuilding Support Plan are drawn directly from the four pillars that constitute the South Sudan Development Plan, as well as from key political transition processes provided for in the Transitional Constitution of South Sudan. A total of 15 priority deliverables were identified, which the United Nations is working to realize.

29. Since 2010, Southern Sudan, as part of the Sudan, had been eligible for funding from the Peacebuilding Fund. In support of the peacebuilding agenda, the Peacebuilding Support Office allocated $10 million under its Peacebuilding Recovery Facility to support priority projects in the Peacebuilding Support Plan for South Sudan. Given that the $10 million available through the Fund would meet only slightly more than 3 per cent of the Peacebuilding Support Plan's funding needs, the United Nations country team and UNMISS engaged in consultations with the Ministry of Finance and Economic Planning in order to select priority deliverables for which funding should be sought. The following two deliverables were identified: vocational and literacy training for youth (deliverable 12); and the construction of *haffir* and water points (deliverable 13).

30. The following criteria were used in selecting those two deliverables:

(a) Aligned with Government priorities;

(b) Priorities that emerged from extensive community-level consultations;

(c) Demonstrating tangible peace dividends;

(d) Ensuring a sustainable and larger impact;

(e) Addressing aspects that have substantial secondary effects (hence, literacy, which is a prerequisite for many peace-related activities, as well as for sustainable development in general);

(f) Avoiding overlap with existing funds (e.g. the South Sudan Recovery Fund, the Common Humanitarian Fund and the Basic Services Fund, which cover the areas of stabilization, humanitarian services and basic services, respectively);

(g) Enhancing synergies with other existing peacebuilding-related activities;

(h) Encouraging the engagement of United Nations agencies with a comparative advantage.

31. In line with the requirements of the Peacebuilding Fund, a joint steering committee was established to approve applications to the Fund, on the basis of the already-existing mechanism of the South Sudan Recovery Fund, which is jointly chaired by the Deputy Minister of Finance and the Resident Coordinator. In March 2013, eight proposals were reviewed by the steering committee, and three proposals recommended for funding are currently undergoing final recommended revisions.

VII. Support for capacity development

32. Capacity-building remains one of the highest development priorities for South Sudan, as set out in the South Sudan Development Plan and its capacity development strategy. United Nations capacity enhancement approaches in South Sudan are based on South-South cooperation and, in accordance with the preference of the Government, focused on skills transfer through mentoring. Consistent with the priority actions outlined in the report of the Secretary-General on civilian capacity (A/66/311-S/2011/527), United Nations agencies have built partnerships with regional governments and organizations to embed public administrators and technical specialists at the national, state and county levels, where they mentor their South Sudanese counterparts.

33. Under the UNDP rapid capacity placement initiative launched in 2009, 120 United Nations Volunteer specialists have been embedded in public sector offices and agencies, mostly at the state level. Under the Intergovernmental Authority on Development (IGAD) Regional Initiative for Capacity Enhancement in South Sudan, launched in January 2011, 200 experienced civil servants from IGAD member States are being deployed to core ministries. The United Nations Population Fund has implemented a complementary initiative through which 20 United Nations Volunteer midwives from neighbouring countries are embedded in health systems in all 10 states, increasing the number of births in the presence of skilled attendants and supporting community midwives and traditional birth attendants.

VIII. Coordination within the United Nations system

34. In support of Security Council resolution 2057 (2012), the United Nations country team has strengthened its coordination and planning with UNMISS where appropriate. Through the establishment of regular forums, the United Nations country team and UNMISS meet on a weekly basis for discussion and information sharing on day-to-day developments in South Sudan. Joint work plans have been established in the areas of disarmament, demobilization and reintegration, the rule of law, child protection, HIV/AIDS response and gender between the Mission and the relevant United Nations agencies. Extensive consultations have been held on strategic planning processes, such as the Mission's results-based budget. As mandated by the Security Council, the United Nations country team and UNMISS jointly developed and commenced the implementation of the Peacebuilding Support Plan.

35. The United Nations country team's programme management team continued to lead the coordination and monitoring of strategic programmatic action. In the past year, ongoing joint programmes were implemented in support of youth employment, conflict prevention and peacebuilding, while new joint programmes were developed to support local youth services and a cattle camp initiative. The United Nations country team has also committed to strengthening its collective monitoring and evaluation in 2013 and will complete the full mapping of the "4W" database (who, what, where, when), which began in September 2012, to help map agency activities at the state and county levels and identify key areas of programmatic and geographic convergence.

36. In support of the "Delivering as one" agenda, the United Nations country team's operations management team has stepped up its efforts to streamline the coordination of programme delivery, improve efficiency and reduce transaction costs. The operations management team has worked closely with UNMISS on issues related to the status-of-forces agreement, clearance procedures for items delayed in customs, and staffing issues, such as payment in United States dollars for national staff. The harmonized approach to cash transfers is due to be rolled out in 2013.

IX. Coordination with international financial institutions

37. The Government is in discussions with the International Monetary Fund (IMF), the World Bank and other international partners regarding managed budget support. While the provision of such externally managed support could fill part of the budget deficit, negotiations with IMF on access to the Poverty Reduction and Growth Trust had not been concluded by the end of the reporting period and no other commitments had yet been secured.

38. Meetings of the Inter-Donor Coordination Forum, which brings together traditional and non-traditional development partners and is co-chaired by the United Nations Resident Coordinator and the World Bank Country Manager for South Sudan, became regular during the reporting period and are now held on a monthly basis. The Forum is a key platform for sharing analysis and information and establishing a common understanding of emerging issues and developments. It also helps to raise awareness on progress in the implementation of United Nations country team programmes and identifies critical funding gaps. Food security trends, support to the rule of law sector, the establishment of a health basket fund and

progress on the implementation of the New Deal are among the topics that regularly feature in the agenda of the Forum.

X. Challenges and recommendations

39. **Given the need to consolidate the important advances made thus far in the country's development, as well as the fragile environment in which such changes are taking hold, there is an urgent need for predictable resources to support longer-term development and address State-building challenges in South Sudan. Appropriate levels of funding should be balanced with sufficient flexibility to respond effectively to new challenges as they emerge.**

40. **Given the importance of State capacity in economic and social transformation, including policymaking and implementation, investment in Government capacity should continue to be consolidated and expanded, and key areas for technical support, such as public financial management, identified and prioritized. National systems for service delivery should meanwhile be increasingly empowered to take ownership of implementation.**

41. **Recognizing the importance of a coordinated and targeted approach to development, the United Nations should continue to build on its efforts to harmonize its processes, both within the United Nations system ("Delivering as one") and with the Government and external partners. Ongoing dialogue between the United Nations, the Government and the donor community should continue to inform planning processes to ensure that development initiatives remain relevant and sustainable and in line with the priorities of the Government and the needs of the people of South Sudan. Addressing the special needs of women should be fully taken into account in this context.**

42. **Bearing in mind that UNMISS is an integrated mission designed to consolidate peace and security and to help establish conditions for development, it is essential that the good start made by the United Nations system in providing integrated support to the Government of South Sudan at the technical and operational levels be complemented by strong, integrated policy support and guidance at the intergovernmental level by the two principal bodies, the Economic and Social Council and the Security Council, within their respective mandates and competencies.**